

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1100 - HB 1436

March 12, 2009

SUMMARY OF BILL: Defines the current remedies available in Tenn. Code Ann. § 56-7-105 (a) and (b) as the exclusive remedies provided a person aggrieved by an insurer or bonding company's failure to make timely payment upon demand.

ESTIMATED FISCAL IMPACT:

MINIMAL

Assumptions:

- Current remedies include requiring the bonding company to pay, in addition to the loss and interest of the bond, a sum equal to up to 25 percent of the liability and court awarded attorney fees not to exceed 12.5 percent of the total award and not less than \$25.
- Addresses private rights of action and therefore will have no impact on the regulatory activities of state or local government.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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